

SECTION III

GENERAL PROVISIONS

1. Personnel Visits

To the extent that any of the NAPMO or NATO member nations have a bonafide need to send personnel to other NATO countries to observe or implement any aspects of the programme covered under this Agreement, such visits will be accomplished in accordance with Enclosure D of C-M (55) 15 (Final), Security within The North Atlantic Treaty Organization. In addition, visits to aircraft and engine contractor plants will be carried out in accordance with paragraph 2.a (8) of Section II. Visits or other interfaces not covered by this section between the agent's representatives and contractors under direct NAPMO contracts will be subject to approval by NAPMA.

2. Security

Security will be in accordance with the principles stated in Section XXI of the MMOU, as addended.

3. Taxes and Duty Free Entry

Arrangements regarding taxes and customs duties, as outlined in the MMOU, Section XX, will apply between the USG and the NAPMO.

4. Commissions/Fees

There are no sales commissions or contingency fees reflected in these prices. There are no known requirements for these fees

5. Other Provisions

(a) The parties to this Agreement understand that national contributions to the program as specified in the MMOU, as addended, are restricted and agree that

mechanisms are to be worked out between the parties to the effect that expenditure authorization is to be granted by NAPMA to the US according to the yearly BOD approved budget. Additionally, the US will take appropriate measures to ensure that authorized expenditures are not exceeded.

(b) In addition to the above, the parties to this Agreement will comply with the provisions of the MMOU, as addended. In the event of any inconsistencies between the MMOU, as addended, and the Acquisition Agreement, the terms of the MMOU, as addended, as interpreted by the NAPMO BOD, will take precedence. Insofar as the USG role as agent is concerned, the provisions of Section II of the Acquisition Agreement will prevail over other sections of the Acquisition Agreement in the event of any inconsistencies.

6. Duration

This Agreement will enter into effect upon signature by both Parties, and will remain in effect until delivery of the final DOD articles and services, aircraft, and associated items, until the MMOU, as addended, by its own terms, expires, or until terminated in accordance with paragraph 8 below.

7. Amendment

The Parties may amend this Agreement at any time by written mutual agreement. In addition, authorized representatives of the Parties, as mutually agreed, may periodically update/revise the Appendices (following approval and signature of a Case Amendment by

authorized USG and NAPMA officials) and Annexes to this Agreement as required for accuracy and currency.

8. Termination

- (a) Except as otherwise set forth in Section I, this Agreement may be terminated at any time upon the mutual written agreement of the Parties. In the event both Parties agree to terminate the Agreement, the Parties will consult prior to the date of termination to ensure termination on the most economical and equitable terms. A status report will be jointly prepared by the AWACS SPO and NAPMA and furnished to SAF/IA and the NAPMO.
- (b) Either Party may terminate this Agreement upon 90 days written notification to the other Party. Such notice will be the subject of immediate consultation by the Parties to decide upon the appropriate course of action.
- (c) After termination or completion of this Agreement, both Parties will continue to observe the terms and conditions of this Agreement and the MMOU, as addended, on security, the exchange and transfer of technical information, user rights and protection of intellectual property.

APPENDIX 1 (APP 1)

DOD Articles & Services Descriptions

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The following descriptions identify the DOD Articles and Services which correspond to the DOD Articles and Services costs identified in the DOD Cost column of Annex B of this Acquisition Agreement. Cost estimates are based on the assumption that contractor(s) will be authorized at the outset to start work on the entire quantity of the purchase. "Supply services complete" indicates the case ordering period is closed and all requirements/requisitions previously ordered have been satisfied. Case closeout and final reconciliation actions can then commence.

1. N1-D-SAK/SAK Procurement of Aircraft and the Modernization Efforts

Pricing for DOD Articles and Services for this item includes UHF Radios, COMSEC Equipment, Test Support, Engine Component Improvement Program (CIP), MITRE Support, Radome Refurbishment Program procurement of up to 10 JTIDS terminals and six TPUs for NATO E-3A aircraft and installation of Quick Engine Change (QEC) kits on the first 7 spare engines. The following paragraphs provide an identification of some of the articles and services.

- a. Communications Subsystem - UHF Radios. Supply services complete.
- b. Communications Security (COMSEC). Supply services complete for COMSEC equipment delivered in support of the NATO E-3A. NATO COMSEC requirements for the SSTF, Trainer/Cargo Aircraft, and War Reserve Spares Kits have been added to this case. Further COMSEC ordering has been discontinued under this case.

c. Testing. The NATO E-3A test program, conducted with the combined DT&E/IOT&E in the US and interoperability testing in the US and Europe, is complete for US/NATO Standard aircraft.

(1) Testing in the United States to Verify NATO E-3A System Operation.

Supply services complete.

(2) Testing to Verify NATO E-3A Operations in the European Environment. Supply services complete.

(3) Production Acceptance Testing (PAT) in Europe. Supply services complete for production acceptance testing and formal delivery of aircraft to NATO.

(4) Testing in support of the Modernization Program. Modernization Program testing is ongoing.

d. Engine Component Improvement Program (CIP). Supply services complete. See N1-D-SAK/SBH for 1982 through 1985.

e. MITRE Support. MITRE support consists of MITRE Technical Staff (MTS) support to E-3 System Program Office (SPO) of the Electronic Systems Center (ESC) to provide system engineering for mission avionics hardware and software development, test and evaluation and interoperability. This support may be provided at Bedford, MA; Seattle, WA and at the NAPMA Offices, Brunssum, NL:

f. Radome Refurbishment Program. Supply services complete.

g. JTIDS Terminals for Aircraft. Supply services complete.

h. Installation of Quick Engine Change (QEC) Kits. Supply services complete.

- i. Transportation for MILTOPE & P&W Spare Engines. Supply services complete.
2. N1-D-SAK/SAL Development Effort for NATO Configuration. Supply services complete. Certificate of Closure issued 6 April 1998.
3. N1-D-SAK/SBJ Supplies and Services. This item includes supplies and services necessary for the management and implementation of the NATO E-3A program.
4. N1-D-SAK/TAA and N1-D-SAK/TAB Training Services. Certificates of Closure issued 8 July 1993. Supply services complete. Modernization Program training will be handled by separate cases.
5. N1-D-SAK/SAN Standard Support Equipment (SSE). Supply services complete.
6. N1-D-SAK/SAP Initial Spares. Supply services complete. N1-D-SAK/KAA, Cooperative Logistics Supply Support Arrangement (CLSSA) FMSO I. Expenditures transferred to N1-D-SAK/SAP. Certificate of Closure issued 3 October 1989.
7. N1-D-SAK/SAR, USG/Contractor Salaries and Travel for Site Surveys and Facilities Review. Deleted. Never executed.
8. N1-D-SAK/SAS Travel. This item includes the travel costs in both CONUS and overseas for the direct support of the NATO AEW&C Program by E-3 SPO personnel. They are costs to be expended by E-3 SPO personnel assisting the USG in its role as "agent" for the NAPMO. Only travel associated with the Acquisition Service Item (Item 10) is included in this item.
9. N1-D-SAK/SAT COMSEC Support. Supply services complete. Statement for Certificate of Closure issued 29 April 1997.

10. N1-D-SAK/SAV, Overseas Management Contract Administration Services (CAS).

Services provided. US government waived cost.

11. N1-D-SAK/SAX Common Technical Data. Supply services complete. Certificate of Closure issued 26 August 1985.

12. N1-D-SAK/SAY, Precision Measurement Equipment Laboratory (PMEL). Deleted. Never executed.

13. N1-D-SAK/SAC, War Reserve Material. Deleted. Never executed.

14. N1-D-SAK/SBA Acquisition Services. This item is for costs associated with System Acquisition and Management Services less supplies and travel costs, which are contained in Items 3 and 8. It includes the E-3 System Program Office (SPO) manning needed to function as NAPMO's agent in the acquisition, operation and support of the NATO E-3A program (including responsibilities in Europe). The level of E-3 SPO manpower is subject to BOD approval.

E-3 SPO manpower is required to perform the System Acquisition Management function providing for procurement, installation, checkout, delivery and logistics support of the NATO E-3A Systems and improvements. Management of the overall system acquisition/integration function is accomplished by insuring adequate communications and coordination among all responsible USG agencies and organizations. With the exception of the E-3 SPO personnel costs, collection of charges for the remaining USG personnel costs associated with these acquisition services is waived to the extent provided by USG legislative authority. Organization such as the following will provide management and technical support to the NATO E-3A program as required:

HQ United States Air Force (USAF), HQ Air Force Material Command (HQ/AFMC), Air Combat Command (ACC), Air Education and Training Command (AETC), United States Air Forces Europe (USAFE), Air Force Operational Test & Evaluation Center (AFOTEC), Air Force Personnel Command (AFPC), and the Air Force Command, Control, Communications, & Computers Agency (AFC4A).

15. N1-D-SAK/SBK Procurement and DOD Articles and Services for NAEGIS. Supply services complete.
16. N1-D-SAK/SBB Depot Maintenance. Supply services complete. Certificate of Closure issued 16 May 1990.
17. N1-D-SAK/SBL Contractor Engineering Technical Services (CETS). Supply services complete. Certificate of Closure issued 13 May 1988.
18. N1-D-SAK/SBC AFMC Engineering Technical Support. Supply services complete. Certificate of Closure issued 11 August 1986.
19. N1-D-SAK/SBD Weapon System Logistics Officers (WSLO). Supply services complete. Certificate of Closure issued 22 October 1988.
20. N1-D-SAK/SBE Augmented Spares Inventory. Supply services complete.
21. N1-D-SAK/NAF Post Delivery Engineering Support (PDES) NATO E-3A. Supply services complete. Certificate of Closure issued 6 April 1998.
22. N1-D-SAK/SBM O&S Budget Component Funded Activities. Statement for Certificate of Closure issued 27 May 1999. Supply services complete.

23. N1-D-SAK/NAE Base Level Maintenance Data Collection (MDC) and Maintenance Management Information and Control System (MMICS) at the NATO E-3A Main Operating Base. Supply services complete.

24. N1-D-SAK/SBH Engine Component Improvement Program (IEMP). Supply services complete. Certificate of Closure issued 18 February 1998.

25. N1-D-SAK/NAG Phase IV Base Level Computer System for the NATO E-3A MOB.

This line is to provide for contractor & USAF implementation/conversion teams, equipment transportation to Geilenkirchen, hardware & executive systems software lease & purchase, contractor hardware maintenance, USAF standard systems software maintenance and development of NATO-unique software. The two maintenance lines (Hardware & Standard Systems) were provided through calendar year 1985 under this case. Ordering complete; deliveries pending.

26. N1-D-YAA, Master Case, NATO E-3A Automatic Test Equipment (ATE). This case is established to provide Automatic Test Equipment & a Power Supply Test Set including hardware, software, auxiliary equipment, integration assembly and installation of same. In addition, it includes support equipment, spares, and technical orders.

USAF/AFMC management and travel in support of this case are also included.

27. N1-D-EBA, Master Case, Base Mobility Support Equipment. Supply services complete.

28. N1-D-EBB, Master Case, Depot Level Maintenance Support Equipment. Supply services complete. Certificate of Closure issued 11 May 1998.

29. N1-D-RAA, Master Case, War Readiness and Depot Level Maintenance Spares.

Supply services complete. Certificate of Closure issued 19 May 1997.

30. N1-D-RAB, Master Case, Air-to-Air Refueling, Flight Avionics and Instrumentation.

Supply services complete. Certificate of closure issued 22 Feb 1990.

31. N1-D-SAK/SAM Sale/Transfer of US E-3 Production Special Tooling (ST) and Special Test Equipment (STE). Deleted. Never executed.

32. N1-D-NAS, Master Case, NAEW System Improvement Plan (NASIP) Studies.

Supply services complete.

33. N1-D-WAA, Master Case, NATO Memory Upgrade. Supply services complete.

Certificate of Closure issued 4 May 1998.

34. N1-D-WAB, Master Case, "Ad Referendum Participation" in RSIP. Efforts under this case have been incorporated into the joint cooperative RSIP Development case W1-D-ZER. This case was closed out upon completion of transfer of expenditures by DFAS-DE to the joint cooperative case. Supply services complete. Certificate of Closure issued 16 Jul 1997.

35. N1-D-NAJ, Master Case, EEDB Avionics Software Support. This case consists of development and production of NATO E-3A ESM Emitter Data Base (EEDB), including EEDB Avionics Software Support, equipment, personnel, acquisition of a work station and recurring maintenance, licensing and documentation costs. It also provides for specific travel and management requirements which exceed normal management functions.

36. N1-D-OAB, Master Case, Advanced Narrowband Digital Voice Terminal (ANDVT) Equipment. This case provides funds for Advanced Narrowband Digital Voice Terminal (ANDVT) Equipment, other communication equipment in FSC 500, communication equipment spare parts in FSC 5900-6120 and also provides for specified travel costs for AFCSC personnel.
37. N1-D-SAK/065, ESM Group B. The establishment of this line will provide Group B production kits, installation and checkout of the first production ESM in NATO Aircraft N-2 and provide production-provisioning data.
38. N1-D-SAK/066, ESM Spares. The establishment of this line will provide funding to cover ESM Spares for two (2) years of initial spares, I&CO Spares and necessary GFE for mission simulator modification. Also to include the procurement of ESM Peculiar Support Equipment (PSE), ESM Logistics Data, ESM Support Equipment (SE), Depot Spares and other ESM Logistics Items.
39. N1-D-SAK/067, Establish Second Source of Repair (SOR) for the Narrow Band Klystron Power Amplifier (KPA). The establishment of this line will provide funding to cover the NAPMO's 50% share of the estimated established costs to develop Varian Associates as a second source of repair for the Narrow Band KPA. The NAPMO will provide a KPA test set to the contractor for development efforts under this case. The NAPMO will retain ownership of the test set. The USG will have rent-free use of the test facility during the repair capability development phase as well as during the follow-on steady state repair phase. Use of the NAPMO-owned test set for third parties will be in accordance with MMOU principles and any other applicable agreements. The contractor

will develop a capability to repair a minimum of twelve units per year for the NAPMO.

The NAPMO may, in accordance with U.S. disclosure policy, participate in meetings with the contractor related to the second SOR development phase, and will be provided as a minimum with deliverables as detailed in CDRL A001-A0006 (which are schedule reports, program reports, progress reports and minutes).

40. N1-D-SAK/068, NAPMA Staff Training. This is an open-ended line that covers specialized technical training of NAPMA Staff members.
41. N1-D-SAK/069, NATO RSIP Unique Follow-On Material. This line provides funding to cover NATO Unique Follow-On Material and Logistics support. It also includes funding to cover NATO Unique IOT&E training.
42. N1-D-SAK/070, JTIDS 3-Level Maintenance Concept LSAR. Supply services complete.
43. N1-D-SAK/071, MOD Block One (1) Interoperability Demos. Supply services complete.
44. N1-D-SAK/072, Acquisition of the Link 16 Gateway System. This line covers the Acquisition of the Link 16 Gateway System and the Gateway Phase 2 modification. These efforts will adapt the United States Navy (USN) developed Gateway Terminal Emulator (GTE) and the Gateway Host (GH) to NE-3A Interfaces and integrate and test the GTE and GH systems at the MOB Geilenkirchen Mission Simulator.
45. N1-D-SAK/073, Wide Band Klystron Power Amplifier (WBKPA). Supply services complete.
46. N1-D-SAK/074, RSIP Production Training. This line covers RSIP Production Type I Training to include RSIP, RSMF, RCMP software maintenance courses, maintenance station and equipment operation courses.
47. N1-D-SAK/920, ESM Training. This line covers Modernization Programme Training. The training required is the Intermediate Level Maintenance Course No. LASE45671. NATO's requirement was three (3) slots in third quarter of FY95.

48. N1-D-NUF. This case covers DoD articles and services to support the NATO Mid-term Programme. The period of performance is 1 January 1999 through 31 December

2002. The case lines are as follows:

Line 001: MID-TERM CIV/MIL PAYROLL

Line 002: MID-TERM TRAVEL

Line 003: MID-TERM SUPPLIES AND EQUIPMENT

Line 004: ENGINEER TECH ASSISTANCE

Line 005: OTHER SERVICES